# GOVERNMENT OF INDIA
# RAILWAYS
# LOK SABHA

UNSTARRED QUESTION NO:7667
ANSWERED ON:16.05.2002
RAILTEL
AMBATI BRAHMANAIAH

**Will the Minister of RAILWAYS be pleased to state:**

(a) the investment made by the Railways in Railtel so far;

(b) whether the Railways have offered equity to some other parties;

(c) if so, the details thereof;

(d) whether any corporation has shown interest in acquiring equity in Railtel;

(e) if so, the details thereof;

(f) the returns that the Railways expect from Railtel; g ) whether any analysis been done on the other options available to railways instead of going in for Railtel directly; and h) if so, the details of such options available to the Railways?

## Answer

MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINIST RAILWAYS (SHRI O.RAJAGOPAL)

(a): Railways have, so far, invested Rs 15 crores in the RailTel as seed capital. This will form a part of Railways equity in RailTel.

(b) & (c): Yes, Sir. Railways have directed Railway Public Sector Undertakings (PSUs) namely Indian Railway Finance Corporation (IRFC), Container Corporation of India Limited (CONCOR) and IRCON International Limited (IRCON) for equity participation in RailTel Corporation of India Limited (RCIL) to the extent of Rs. 100 crores, Rs. 25 crores and 25 crores respectively.

(d) & (e): As per direction given by the Cabinet, discussions are being held with Department of Telecom (DOT) and PSUs of DOT for equity participation in RailTel. However, no decision has been taken so far.

(f): The Optical Fibre Cable network undertaken by RailTel will provide a reliable and modern Railway communication system for train control, operation and safety. Besides, Railways will be getting lease charges on the valuation of right of way being leased to RailTel for laying Optical Fibre Cable and dividend on its equity in RailTel as and when RailTel declares the same.

(g) & (h): Railways have decided to form RailTel Corporation of India Ltd. under administrative control of Ministry of Railways, after due consideration and approval from the Cabinet. No other options are under consideration of Railways, at present, for laying of Optical Fibre Cable by an outside agency along the Railway track.